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Emergency Unemployment Compensation (EUC08): Status of Benefits Prior to Expiration

Updated August 11, 2014

Congressional Research Service
https://crsreports.congress.gov
R42444

Summary

Until its expiration at the end of December 2013, the temporary Emergency Unemployment Compensation (EUC08) program provided additional federal unemployment insurance benefits to eligible individuals who had exhausted all available benefits from their state Unemployment Compensation (UC) programs. Congress created the EUC08 program in 2008 and amended the original, authorizing law (P.L. 110-252) 11 times. No EUC08 benefits are currently available.

The last extension of EUC08 under P.L. 112-240, the American Taxpayer Relief Act of 2012, authorized EUC08 benefits until the week ending on or before January 1, 2014 (i.e., December 28, 2013; or December 29, 2013, in New York State). Prior to program expiration, the potential duration of EUC08 benefits available to eligible individuals depended on state unemployment rates. **Figure A-1** provides the sequence, availability, and total maximum duration of all unemployment benefits prior to the expiration of EUC08.

This report summarizes the structure of EUC08 benefits available prior to program expiration at the end of calendar year 2013. It also provides the legislative history of the EUC08 program.

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Introduction

Various benefits may be available to unemployed workers to provide income support. When eligible workers lose their jobs, the Unemployment Compensation (UC) program may provide up to 26 weeks of income support through the payment of regular UC benefits.[1] Unemployment benefits may be extended for up to 13 or 20 weeks by the permanent Extended Benefit (EB) program under certain state economic conditions. From July 2008 through December 2013, unemployment benefits were also extended for additional weeks by the temporarily authorized Emergency Unemployment Compensation (EUC08) program. The EUC08 program is now expired.

This report provides a detailed legislative history of the EUC08 program. It also describes the structure and availability of EUC08 benefits prior to program expiration at the end of calendar year 2013. For information on legislative attempts to reauthorize the EUC08 program, see CRS Report R42936, *Unemployment Insurance: Legislative Issues in the 113th Congress*, by Julie M. Whittaker and Katelin P. Isaacs. For information on the regular unemployment compensation program, see CRS Report RL33362, *Unemployment Insurance: Programs and Benefits*, by Katelin P. Isaacs and Julie M. Whittaker.

Emergency Unemployment Compensation

On June 30, 2008, President George W. Bush signed the Supplemental Appropriations Act of 2008 (P.L. 110-252) into law. Title IV of this act created a new temporary unemployment insurance program, the Emergency Unemployment Compensation (EUC08) program.[2] This was the eighth time Congress created a federal temporary program to extend unemployment compensation during an economic slowdown.[3]

Authorization for the EUC08 program expired the week ending on or before January 1, 2014. The last day of EUC08 availability was December 28, 2013 (December 29, 2013 for New York). Prior to this expiration, state UC agencies administered EUC08 benefits along with regular UC benefits and benefits from the permanently authorized EB program.

EUC08 Benefit Amounts, Tiers, and Duration Prior to Expiration

Prior to expiration at the end of calendar year 2013, the amount of the EUC08 benefit was the equivalent of the eligible individual's weekly regular UC benefit and included any applicable dependents' allowances. Between the creation of the EUC08 program and its expiration, Congress made several changes to the structure of the EUC08 program. These structural changes had consequences for the availability of EUC08 tiers and benefits in states.

[1] UC currently pays up to 26 weeks of benefits in most states. For information on states with a different maximum UC duration, including states that have acted to reduce their UC maximum durations, see CRS Report R41859, *Unemployment Insurance: Consequences of Changes in State Unemployment Compensation Laws*, by Katelin P. Isaacs.

[2] For information on legislative attempts in the 113th Congress to reauthorize the EUC08 program, see CRS Report R42936, *Unemployment Insurance: Legislative Issues in the 113th Congress*, by Julie M. Whittaker and Katelin P. Isaacs. For information on the regular unemployment compensation program, see CRS Report RL33362, *Unemployment Insurance: Programs and Benefits*, by Julie M. Whittaker and Katelin P. Isaacs.

[3] The other programs became effective in 1958, 1961, 1972, 1975, 1982, 1991, and 2002. For details on these programs, see CRS Report RL34340, *Extending Unemployment Compensation Benefits During Recessions*, by Julie M. Whittaker and Katelin P. Isaacs.

Table 1 provides a summary of how the EUC08 program changed between when it was first authorized in 2008 and when it expired at the end of 2013. Each row provides the public law that amended the original EUC08 program, the corresponding EUC08 benefits available under that law, and the effective dates authorized by that law. **Figure 1** provides a flow chart of these changes.

Table 1. Summary of Emergency Unemployment Compensation (EUC08) Program: Public Laws, Benefits, Effective Dates, and Financing

Public Law	Benefit Tiers and Availability	Dates in Effect and Financing
Supplemental Appropriations Act of 2008, Title IV Emergency Unemployment Compensation (P.L. 110-252), signed June 30, 2008	13 weeks (all states)	7/6/2008-3/28/2009 (No benefits past 7/4/2009) Funded by federal Emergency Unemployment Compensation Account (EUCA) funds within Unemployment Trust Fund (UTF).
Unemployment Compensation Extension Act of 2008 (P.L. 110-449), signed November 21, 2008	Tier I: 20 weeks (all states) Tier II: 13 additional weeks (33 weeks total) if state total unemployment rate (TUR) is 6% or higher or insured unemployment rate (IUR) is 4% or higher.	11/23/2008-3/28/2009 (No benefits past 8/29/2009) Funded by federal EUCA funds within UTF.
American Recovery and Reinvestment Act of 2009 (P.L. 111-5), signed February 17, 2009	Same as above. [Act included several other interventions that augmented UC benefits: the Federal Additional Compensation (FAC) benefit of $25/week; at state option, EB benefit year could be calculated based upon exhausting EUC08 benefits; 100% federal financing of EB program; and the first $2,400 of unemployment benefits were excluded from income tax in 2009.]	2/22/2009-12/26/2009 (No benefits past 6/5/2010) Funded by general fund of the Treasury. (Additionally, the FAC program is funded by the general fund of the Treasury. The 100% financing of the EB program is funded by the EUCA funds within the UTF.)
Worker, Homeowner, and Business Assistance Act of 2009 (P.L. 111-92), signed November 6, 2009	Tier I: 20 weeks (all states) Tier II: 14 additional weeks (34 weeks total, all states) Tier III: 13 additional weeks if state TUR is 6% or higher or IUR is 4% or higher (47 weeks total) Tier IV: 6 additional weeks if state TUR is 8.5% or higher or IUR is 6% or higher (53 weeks total) [Act included 1.5 year extension of the Federal Unemployment Tax Act (FUTA) surtax.]	11/8/2009-12/26/2009 (No benefits past 6/5/2010) Funded by general fund of the Treasury. Extended FUTA surtax through June 2011. The estimated revenues collected from FUTA surtax provision were $2.578 billion and offset the estimated direct spending costs for unemployment insurance provisions of $2.42 billion.
Department of Defense Appropriations Act, 2010 (P.L. 111-118), signed December 19, 2009	Same as above.	12/27/2009-2/27/2010 (No benefits past 7/31/2010) Funded by general fund of the Treasury.

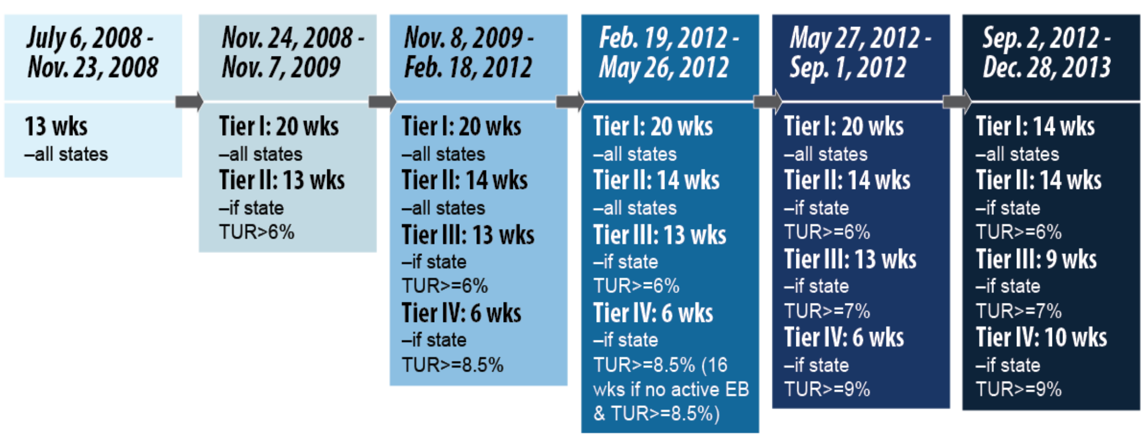
Public Law	Benefit Tiers and Availability	Dates in Effect and Financing
Temporary Extension Act of 2010 (P.L. 111-144), signed March 2, 2010	Same as above.	2/28/2010 (retroactive)—4/3/2010 (No benefits past 9/4/2010) Funded by general fund of the Treasury.
The Continuing Extension Act of 2010 (P.L. 111-157), signed April 15, 2010	Same as above.	4/4/2010 (retroactive)-5/29/2010 (No benefits past 11/6/ 2010) Funded by general fund of the Treasury.
The Unemployment Compensation Extension Act of 2010 (P.L. 111-205), signed July 22, 2010	Same as above. [Note this did not include an extension of the Federal Additional Compensation (FAC) benefit of $25/week for those receiving UC, EUC08, EB, Disaster Unemployment Assistance, or Trade Adjustment Assistance. The FAC expired on June 2, 2010.]	5/30/2010 (retroactive)-11/27/2010 (No benefits past 4/30/2011) Funded by general fund of the Treasury.
The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P.L. 111-312), signed December 17, 2010	Same as above.	11/28/2010 (retroactive)-12/31/2011 (No benefits past 6/9/2012) Funded by general fund of the Treasury.
The Temporary Payroll Tax Cut Continuation Act of 2011 (P.L. 112-78), signed December 23, 2011	Same as above.	1/1/2012-2/18/2012 (No benefits past 8/11/2012) Funded by general fund of the Treasury. P.L. 112-78 required the Director of the Federal Housing Finance Agency (FHFA) to require each government-sponsored enterprise (GSE) (the Federal National Mortgage Association [Fannie Mae] and the Federal Home Loan Mortgage Corporation [Freddie Mac]) to charge a guarantee fee in connection with any guarantee of the timely payment of principal and interests on securities, notes, and other obligations based on or backed by mortgages on residential real properties designed principally for the occupancy of from one to four families.
Middle Class Tax Relief and Job Creation Act of 2012 (P.L. 112-96), signed February 22, 2012	Tier I: 20 weeks (all states) Tier II: 14 additional weeks (34 weeks total, all states) Tier III: 13 additional weeks if state TUR is 6% or higher or IUR is 4% or higher (47 weeks total) Tier IV: 6 additional weeks if state TUR is 8.5% or higher or IUR is 6% or higher (53 weeks total); 16 weeks if no EB and all other conditions met (63 weeks total)	2/19/2012-5/26/2012 Funded by general fund of the Treasury. P.L. 112-96 included offsets; for example, the auction of spectrum licenses and increased federal retirement contributions.

Public Law	Benefit Tiers and Availability	Dates in Effect and Financing
Middle Class Tax Relief and Job Creation Act of 2012 (P.L. 112-96), signed February 22, 2012	Tier I: 20 weeks (all states) Tier II: 14 additional weeks if TUR is 6% or higher (34 weeks total, all states) Tier III: 13 additional weeks if state TUR is 7% or higher or IUR is 4% or higher (47 weeks total) Tier IV: 6 additional weeks if state TUR is 9.0% or higher or IUR is 6% or higher (53 weeks total)	5/27/2012-9/1/2012 Funded by general fund of the Treasury. P.L. 112-96 included offsets; for example, the auction of spectrum licenses and increased federal retirement contributions.
Middle Class Tax Relief and Job Creation Act of 2012 (P.L. 112-96), signed February 22, 2012	Tier I: 14 weeks (all states) Tier II: 14 additional weeks if TUR is 6% or higher (28 weeks total) Tier III: 9 additional weeks if state TUR is 7% or higher or IUR is 4% or higher (37 weeks total) Tier IV: 10 additional weeks if state TUR is 9.0% or higher or IUR is 6% (47 weeks total)	9/2/2012-12/29/2012 (No benefits past 12/29/2012) Funded by general fund of the Treasury. P.L. 112-96 included offsets; for example, the auction of spectrum licenses and increased federal retirement contributions.
American Taxpayer Relief Act of 2012 (P.L. 112-240), signed January 2, 2013	Same as above.	12/30/2012 (retroactive)-12/28/2013 Funded by general fund of the Treasury.

Source: Congressional Research Service, based on statutory provisions identified in the table.

Note: Because New York defines a week as a period from Monday through Sunday, the effective dates for New York are one day later. For example, the EUC08 program first became active in all states except New York on July 6, 2008. The EUC08 program first became active in New York on July 7, 2008.

Figure 1. Benefits Available in Emergency Unemployment Compensation (EUC08), July 6, 2008-December 28, 2013



Source: Congressional Research Service.

Notes: Because New York defines a week as a period from Monday through Sunday, the effective dates for New York are one day later than those shown above. For example, the EUC08 program first became active in all states except New York on July 6, 2008. The EUC08 program first became active in New York on July 7, 2008.

The total unemployment rate (TUR) is the 13-week average ratio of unemployed workers to all workers (employed and unemployed) in the labor market. The TUR is essentially a three-month average of the seasonally adjusted unemployment rate for each state published by the Bureau of Labor Statistics from its Local Area Unemployment Statistics (LAUS) data. It is possible to have tier III or tier IV available based upon a 13-week average insured unemployment rate (IUR). These options are not depicted in this figure. The IUR is a program based statistic: the ratio of Unemployment Compensation (UC) claimants to individuals in UC-covered jobs. The ratio does not include those unemployed workers who received EUC08 or EB payments, or any other type of unemployed worker except those who are currently receiving regular UC benefits.

EUC08 Benefit Availability Prior to Expiration

The EUC08 program was amended 11 times, most recently by P.L. 112-240.[4] When authorized, the EUC08 benefit amount was equal to the eligible individual's weekly regular UC benefits and included any applicable dependents' allowances. The most recent modifications to the underlying structure of the EUC08 program were made by P.L. 112-96. These modifications included changes to the number of weeks available in each EUC08 tier as well as the state unemployment rates required to have an active tier in that state. These requirements were implemented during 2012 in three separate phases. (See **Figure 1**.)

EUC08 benefits have not been available in any state since the program expired at the end of calendar year 2013; however, EUC08 benefits ceased to be available in North Carolina beginning in July 2013, due to state legislative action. North Carolina enacted legislation in February 2013 that included a provision to actively reduce UC weekly benefit amounts in the state. Effective on or after July 1, 2013, this state law provision violated the "nonreduction" rule and, therefore, terminated the EUC08 agreement between North Carolina and the Secretary of the U.S. Department of Labor.[5]

Prior to the expiration of the EUC08 program, the following weeks of benefits were available in the tiers listed below:

- **Tier I** was available in all states, except North Carolina, with up to 14 weeks of EUC08 benefits provided to eligible individuals.
- **Tier II** was available if the state's total unemployment rate (TUR)[6] was at least 6%, with up to 14 weeks provided to eligible individuals in those states (not available in North Carolina).
- **Tier III** was available if the state's TUR was at least 7% (or an insured unemployment rate, IUR,[7] of at least 4%), with up to 9 weeks of provided to eligible individuals in those states (not available in North Carolina).

[4] The 11 amendments are P.L. 110-449, P.L. 111-5, P.L. 111-92, P.L. 111-118, P.L. 111-144, P.L. 111-157, P.L. 111-205, P.L. 111-312, P.L. 112-78, P.L. 112-96, and P.L. 112-240. Summary details on all of these laws are provided in **Table 1** of this report.

[5] For more information on the "nonreduction" rule of EUC08, see CRS Report R41859, *Unemployment Insurance: Consequences of Changes in State Unemployment Compensation Laws*, by Katelin P. Isaacs.

[6] The TUR is the ratio of unemployed workers to all workers (employed and unemployed) in the labor market. The TUR is essentially a weekly version of the unemployment rate published by the Bureau of Labor Statistics (BLS) and based on data from the BLS' monthly Current Population Survey.

[7] The IUR is the ratio of UC claimants divided by individuals in UC-covered jobs. The IUR is substantially different from the TUR because it excludes several important groups: self-employed workers, unpaid family workers, workers in

- **Tier IV** was available if the state's TUR was at least 9% or the IUR was 5%, with up to 10 weeks provided to eligible individuals in those states (not available in North Carolina).

EUC08 Program Expiration

All tiers of EUC08 benefits were temporary and expired the week ending on or before January 1, 2014. Thus, on December 28, 2013 (December 29, 2013, for New York), the EUC08 program ended. There is no "grandfathering" of any EUC08 benefit after that date.

How Much Was an Eligible Individual's Weekly EUC08 Benefit Prior to Expiration?

The amount of the EUC08 benefit was the equivalent of the eligible individual's weekly regular UC benefit and included any applicable dependents' allowances.

Which Tiers of EUC08 Were Available in a State Prior to Expiration?

For each week that EUC08 was authorized, the U.S. Department of Labor issued an "Emergency Unemployment Compensation Trigger Notice" at http://www.workforcesecurity.doleta.gov/unemploy/claims_arch.asp. If the status column for tier II, tier III, or tier IV within the notice was "on" for a particular state's row, that state was considered to be high unemployment for the purposes of that tier of EUC08 benefits. The second to the last column, labeled "Tier Four Weeks Available," lists the maximum potential number of weeks that were available in tier IV for each state.

General EUC08 Eligibility Requirements Prior to Expiration

Exhausted Regular UC Benefit

The right to regular UC benefits had to be exhausted in order to be eligible for EUC08 benefits when the program was authorized.[8] Although federal laws and regulations provide broad guidelines on regular UC benefit coverage and eligibility determination, the specifics of regular UC benefits are determined by each state. This results in 53 different programs.[9] In particular,

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certain not-for-profit organizations, and several other, primarily seasonal, categories of workers. In addition to those unemployed workers whose last jobs were in the excluded employment, the insured unemployed rate excludes the following: those who have exhausted their UC benefits (even if they received EB or EUC08 benefits); new entrants or reentrants to the labor force; disqualified workers whose unemployment is considered to have resulted from their own actions rather than from economic conditions; and eligible unemployed persons who do not file for benefits.

[8] Applicants must have been eligible for regular UC benefits and have exhausted their rights to regular UC with respect to a benefit year that expired during or after the week of May 6, 2007. For most states, this would have applied to individuals who had filed UC claims with an effective date of May 7, 2006, or later. For the state of New York, this would have applied to original claims filed with an effective date of May 1, 2006, or later. Arkansas has a unique approach to calculating a benefit year. In Arkansas, the benefit year begins the first day of the quarter in which an individual files a valid UC claim. Thus, it is unlikely that many individuals in Arkansas who filed UC claims before July 2006 would have been eligible to receive EUC08 benefits.

[9] The 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands provide UC benefits to their workers.

states determine UC benefit eligibility, amount, and duration through state laws and program regulations.[10]

Generally, regular UC eligibility is based on attaining qualified wages and employment in covered work over a 12-month period (called a base period). Conditional on earnings amounts and number of quarters worked in the base period, an individual may qualify for as little as one week of UC benefits in some states and as many as 26 weeks in other states. Individuals with higher earnings and multiple quarters of work history will generally receive higher UC benefits for a longer period of time.[11]

"20 Weeks" of Full-Time Insured Employment or Equivalent

In addition to all state requirements for regular UC eligibility, the EUC08 program required claimants to have at least 20 weeks of full-time insured employment or the equivalent in insured wages in their base period.

States use one, two, or three different methods for determining an "equivalent" to 20 weeks of full-time insured employment. These methods are described in both law (§202(a)(5) of the Extended Unemployment Compensation Act of 1970) and regulation (20 CFR 615.4(b)). In practice, states that applied any of these three requirements for receipt of regular UC benefits *and* did not allow for exceptions to those requirements did not need to establish that workers met the 20 weeks of full-time insured employment requirement for the purposes of EUC08. The three methods were as follows:

- earnings in the base period equal to at least 1.5 times the high-quarter wages; or
- earnings in the base period of at least 40 times the most recent weekly benefit amount, and if this alternative is adopted, it shall use the weekly benefit amount (including dependents' allowances) payable for a week of total unemployment (before any reduction because of earnings, pensions, or other requirements) that applied to the most recent week of regular benefits; or
- earnings in the base period equal to at least 20 weeks of full-time insured employment, and if this alternative is adopted, the term "full-time" shall have the meaning provided by the state law.

For the purposes of EUC08 eligibility, the base period was the regular base period or, if applicable in the state, the period could have been the alternative base period or the extended base period if that determined the regular UC benefit.

Reemployment and Eligibility Assessments

P.L. 112-96 amended EUC08 law to require states to provide reemployment and eligibility assessments to most EUC08 claimants. EUC08 claimants were required to participate in reemployment services if referred. States received $85 in federal funding per EUC08 claimant who received reemployment and eligibility assessments (REAs).

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[10] For an overview of recent state law changes to UC duration and amount, see CRS Report R41859, *Unemployment Insurance: Consequences of Changes in State Unemployment Compensation Laws*, by Katelin P. Isaacs.

[11] Individuals in two states (Massachusetts and Montana) may have regular UC durations that exceed 26 weeks. EB law requires that the total potential duration of UC and EB combined not exceed 39 weeks (46 weeks in the case of the high unemployment TUR trigger).

Impact of State Actions to Reduce UC Payments

States were temporarily prohibited from actively reducing UC benefit amounts through changes to benefit calculation from February 2009 through December 2013 (this prohibition is referred to as the "nonreduction" rule).[12] The "nonreduction" rule expired along with EUC08 program authorization at the end of December 2013. The implementation of this "nonreduction" rule coincided with new state actions that reduced UC benefit duration as an alternative means to decrease total UC benefit payments.[13] As a result, changes in state UC benefit duration may be a state response to a state UC financing shortfall.

The duration for any federal unemployment benefits—each tier of the EUC08 program prior to expiration and any EB periods—is calculated based on state UC benefit duration. Thus, states that have enacted laws to reduce the duration of regular UC benefits have also reduced the duration of EUC08 and EB benefits.

Currently, eight states have decreased maximum UC durations in effect after the "nonreduction" rule was enacted:[14]

- **Arkansas** decreased its state UC maximum duration from 26 weeks to 25 weeks, effective March 30, 2011.
- **Florida** decreased the maximum UC duration from 26 weeks to a variable maximum duration, depending on the state unemployment rate and ranging from 12 weeks up to 23 weeks. Up to 12 weeks will be available if the state unemployment rate is 5% or less. Each 0.5% increase in the state unemployment rate above 5% will add an additional week of UC benefit duration. Finally, up to 23 weeks of regular UC benefits will be available if the state unemployment rate is at least 10.5%. This benefit reduction was effective January 1, 2012.
- **Georgia** decreased its UC maximum duration from 26 weeks to a variable maximum duration that ranges between 14 weeks and 20 weeks, depending on the unemployment rate in the state. A maximum UC duration of 14 weeks will be available if the state unemployment rate is 6.5% or less. Each 0.5% increase in the state unemployment rate above 6.5% will add additional weeks of UC benefit duration up to a maximum of 20 weeks of UC benefits if the state unemployment rate is at least 9%. This benefit reduction was effective May 2, 2012.
- **Kansas** decreased its UC maximum duration from 26 weeks to a variable maximum duration, using a tiered system based on the state unemployment rate. Up to 16 weeks will be available if the state unemployment rate is less than 4.5%; up to 20 weeks if the state unemployment rate is at least 4.5% and less than 6.0%; and up to 26 weeks if the state unemployment rate is at least 6.0%.

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[12] The "nonreduction" rule prohibited states from decreasing average weekly benefit amounts without invalidating their EUC08 federal-state agreements. States that made changes to the regular UC benefit amount prior to March 1, 2012, however, did not invalidate their EUC08 federal-state agreements under an exception provided in P.L. 112-96.

[13] The most recent "nonreduction" rule was put into place when P.L. 111-205 amended P.L. 110-252. There was a similar, but programmatically distinct "nonreduction" rule in P.L. 111-5, as amended, which prevented states from actively changing the method of calculation of the UC weekly benefit amount to pay UC benefit amounts less than what would have been paid under state law prior to December 31, 2008. No states acted to decrease UC benefit amounts between December 31, 2008, and June 2, 2010, when the federal authorization for this earlier "nonreduction" rule expired.

[14] For more details on these state law changes, see CRS Report R41859, *Unemployment Insurance: Consequences of Changes in State Unemployment Compensation Laws*, by Katelin P. Isaacs.

This benefit reduction was effective for individuals filing an initial claim for UC benefits beginning on or after January 1, 2014.

- **Michigan** decreased its UC maximum duration from 26 weeks to 20 weeks. This change was effective for individuals filing an initial claim for UC benefits on or after January 15, 2012.
- **Missouri** decreased its UC maximum duration from 26 weeks to 20 weeks, effective April 13, 2011.
- **North Carolina** decreased the maximum UC duration from 26 weeks to a variable maximum duration, depending on the state unemployment rate and ranging from 12 weeks up to 20 weeks. Up to 12 weeks will be available if the state unemployment rate is 5.5% or less. Each 0.5% increase in the state unemployment rate above 5.5% will add an additional week of UC benefit duration. Finally, up to 20 weeks of regular UC benefits will be available if the state unemployment rate is greater than 9%. This benefit reduction is effective for individuals filing an initial claim for UC benefits on or after July 1, 2013.
- **South Carolina** also decreased its UC maximum duration from 26 weeks to 20 weeks, effective June 14, 2011.

EUC08 Financing

Until February 16, 2009, the EUC08 program was federally financed from the extended unemployment compensation account (EUCA) within the Unemployment Trust Fund (UTF). From February 2009 (with the passage of the 2009 stimulus package, P.L. 111-5) until its expiration, EUC08 was financed from general funds of the U.S. Treasury. States do not need to repay these funds.

Lapses in EUC08 Authorization

Over the history of the temporary EUC08 program, there were five lapses in program authorization prior to EUC08 expiration at the end of calendar year 2013:[15] February 27, 2010, to March 2, 2010; April 3, 2010, to April 15, 2010; June 2, 2010, to July 22, 2010; November 30, 2010, to December 17, 2010; and December 29, 2012, to January 2, 2013.

Each of these lapses was addressed either in law, via retroactive effective dates of program extension legislation for longer lapses, or through the administration of the program, in the case of the shortest lapse (February 27, 2010-March 2, 2010). The longest of these authorization lapses was 49 days (or 7 weeks), occurring between June 2, 2010, and July 22, 2010, and ending when P.L. 111-205 was signed. The passage of P.L. 112-240 addressed the most recent lapse (December 29, 2012-January 2, 2013) and retroactively restored EUC08 program authorization. See **Table 2** below for additional details on these authorization lapses.

[15] Authorization for the EUC08 program has now been expired for more than six months. Therefore, the current expiration is considered a program expiration as opposed to a "lapse" in authorization. For information on legislative attempts in the 113th Congress to reauthorize the EUC08 program, see CRS Report R42936, *Unemployment Insurance: Legislative Issues in the 113th Congress*, by Julie M. Whittaker and Katelin P. Isaacs.

Table 2. Summary of EUC08 Program Authorization Lapses

EUC08 Authorization Lapse Beginning Date	EUC08 Authorization Lapse Ending Date	Number of Days Lapse Lasted	Legislation that Ended Lapse
2/27/2010	3/2/2010	2	Temporary Extension Act of 2010 (P.L. 111-144)
4/3/2010	4/15/2010	11	The Continuing Extension Act of 2010 (P.L. 111-157)
6/2/2010	7/22/2010	49	The Unemployment Compensation Extension Act of 2010 (P.L. 111-205)
11/30/2010	12/17/2010	16	The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P.L. 111-312)
12/29/2012	1/2/2013	3	The American Taxpayer Relief Act of 2012 (P.L. 112-240)

Source: Congressional Research Service.

The Extended Benefit Program

The now-expired EUC08 program should not be confused with the similarly named Extended Benefit (EB) program.[16] The EUC08 program was temporary and, prior to expiration, a portion of the program was available regardless of state unemployment conditions in all states except for North Carolina. In comparison, the EB program is permanently authorized and applies only to certain states on the basis of state unemployment conditions as specified in law.

Each Monday the Department of Labor issues its "Extended Benefit Trigger Notice" at http://www.workforcesecurity.doleta.gov/unemploy/claims_arch.asp. If the "available weeks" column within the notice has either 13 or 20 for a particular state's row, that extended benefit program is active in that state with a potential of up to 13 or 20 weeks of EB for its unemployed workers.

When economic conditions in a state no longer meet the criteria for extended benefits, the EB program becomes inactive. There is no "grandfathering" of the EB benefit. When a state EB program becomes inactive, payment of all EB benefits stops immediately.

EB Program Is Permanently Authorized

The EB program is permanently authorized by the Federal-State Extended Unemployment Compensation Act of 1970 (EUCA), P.L. 91-373 (26 U.S.C. 3304, note). The EB program provides for additional weeks of unemployment benefits, up to a maximum of 13 weeks during periods of high unemployment and, at the option of each state, up to a maximum of 20 weeks in certain states with extremely high unemployment.

[16] For a detailed description of the EB program, see CRS Report RL33362, *Unemployment Insurance: Programs and Benefits*, by Julie M. Whittaker and Katelin P. Isaacs.

EB Program Financing

Under EUCA, EB benefits are funded half (50%) by the federal government through an account for that purpose in the Unemployment Trust Fund (UTF). States fund half (50%) through their state accounts in the UTF.

The American Recovery and Reinvestment Act of 2009 (P.L. 111-5), as amended, temporarily provided for 100% federal financing of EB benefits through December 31, 2013 (through the Extended Unemployment Compensation Account within the Unemployment Trust Fund), with the exception of "non-sharable" benefits (generally, these are former state and local employees' EB benefits).[17]

EUC08 and EB Interaction Prior to Expiration

Which Benefit Was Paid First?

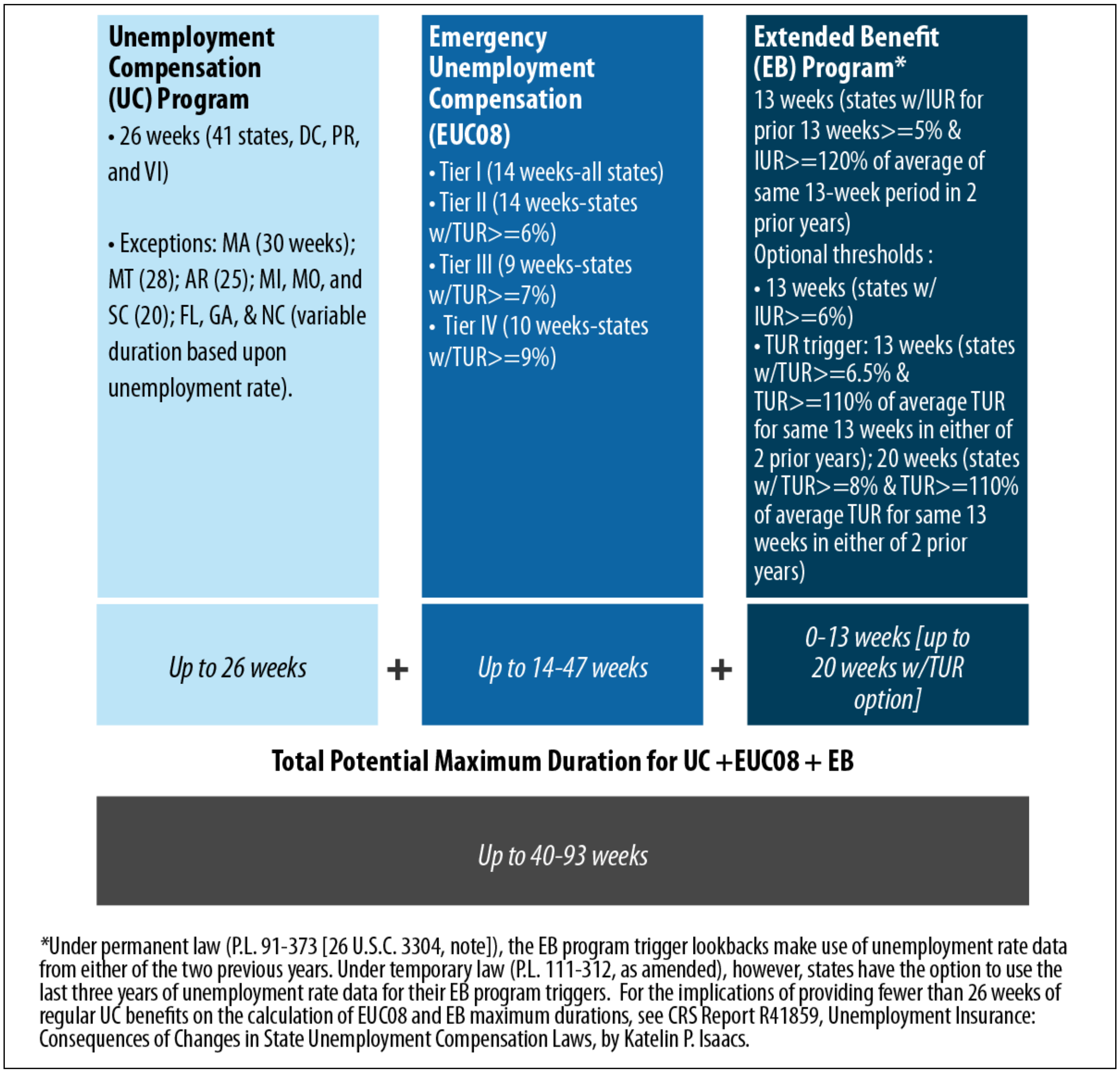
Prior to the enactment of P.L. 112-96, states were permitted to determine which benefit, EB or EUC08, was paid first. Alaska was the only state to pay EB first when this option was available.

Since the enactment of P.L. 112-96 and until the EUC08 program expired at the end of calendar year 2013, states were required to pay EUC08 benefits before EB benefits.

[17] For more details on EB financing, see CRS Report RL33362, *Unemployment Insurance: Programs and Benefits*, by Julie M. Whittaker and Katelin P. Isaacs.

Appendix. Availability and Sequence of Unemployment Benefits Prior to EUC08 Expiration

Figure A-1. Sequence of Unemployment Benefits Prior to EUC08 Expiration



Source: Congressional Research Service.

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